

March 2, 2009

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FOR IMMEDIATE RELEASE

(Washington DC) Today, Chairman Luis V. Gutierrez announced that the Financial Services' Subcommittee on Financial Institutions and Consumer Credit will hold a hearing entitled "TARP Oversight: Is TARP Working for Main Street?" at 2:30 p.m. on Wednesday, March 4, 2009, in room 2128 Rayburn House Office Building.

The oversight hearing will focus on whether TARP has been successful in freeing up credit for American businesses, especially the small and medium-sized firms that are vital to the U.S. economy. The hearing signals a shift in focus for the Financial Services Committee, utilizing public hearings to turn a critical eye not only on Wall Street but also to TARP's impact on Main Street.

"Small business is the backbone of the American economy," said Rep. Gutierrez. "In my home state of Illinois, more than 49 percent of the workforce is employed by small firms. Without a vibrant small business community, this recession will continue to linger. Investing in small and medium-sized firms one of the fastest routes we can take to economic recovery."

Who:	Rep. Luis V. Gutierrez,	<i>Chairman of the Financial Services' Subcommittee on Financial Institutions and Consumer Credit</i>
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Witnesses:	
Dean Baker,	<i>PhD, Co-Director, Center for Economic and Policy Research</i>
David S. Scharfstein,	<i>PhD, Edmund Cogswell Converse Professor of Finance and Banking, Harvard Business School</i>
Robert W. Davenport,	<i>President, The National Development Council</i>
Mr. C. R. Cloutier,	<i>President and CEO, MidSouth Bank, NA</i>
Mr. Joseph Zuccherro,	<i>Owner, Mr. Beef Deli, Chicago, IL</i>

What:	Financial Institutions Subcommittee Hearing: "TARP Oversight: Is TARP Working for Main Street?"
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When:	2:30 p.m., Wednesday, March 4, 2009
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Where:	2128 Rayburn House Office Building
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The Subcommittee will investigate why many of the large, TARP-recipient banks actually decreased lending to businesses after receiving TARP funds. In addition to looking into the lending records of large banks, the Subcommittee will hear testimony from a community bank and a Community Development Financial Institution Fund, both of which are increasing lending to meet the demand of small firms in their areas.

The Subcommittee will also discuss the importance of making more TARP funds available to regional banks, community banks and other institutions that are willing and able to immediately lend those funds to small firms.

"I supported TARP primarily because I felt it was necessary to unfreeze the credit markets and get capital flowing to Main Street," said Rep. Gutierrez. "But under no circumstances did I want the money held in the vaults of Wall Street firms to be used for executive bonuses or to pay shareholder dividends. It's time we shifted our focus away from saving the Wall Street firms that got us into this mess and concentrated on the Main Street firms that know how to create jobs and grow the economy," said Gutierrez.

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